



Last Updated: 03/09/2022

Modifications to the Virginia Medicaid Preferred Drug List (PDL) Program and PDL Quicklist & Medicare Part D Implementation - Effective January 1, 2006

The purpose of this memorandum is to inform you of:

- Modifications to Virginia Medicaid's PDL (effective January 1, 2006); and
- Upcoming changes to the prescription drug benefits for Medicare patients who also have Medicaid coverage (Medicare Part D - effective January 1, 2006).

PREFERRED DRUG LIST UPDATES - EFFECTIVE JANUARY 1, 2006

The PDL is a list of preferred drugs by therapeutic class for which the Medicaid program allows payment without requiring prior authorization (PA). DMAS implemented the PDL program to provide clinically effective and safe drugs to its clients in a cost-effective manner. Other clinical criteria may also apply for each respective drug class. In the designated classes, drug products classified as non-preferred will be subject to PA. There are provisions for a 72-hour supply of necessary medications so that this initiative will not cause an individual to be without an appropriate and necessary drug therapy.

The PDL is effective for the Medicaid, MEDALLION, and FAMIS Plus fee-for-service populations. The PDL **does not** apply to recipients enrolled in a MCO or FAMIS enrollees. Your continued support of this program is critical to its success.



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DMAS implemented Phase I of the PDL in January 2004 with 13 therapeutic drug classes. The Pharmacy & Therapeutics (P & T) Committee recently conducted its second annual review of the PDL Phase I drug classes, and several changes were made to the preferred status of drugs in these classes. The therapeutic classes included in the annual review of PDL Phase I were:

- HMG CoA Reductase Inhibitors (Statins)
- Lipotropics: CAI (formerly included with Statins)
- COX-2 Inhibitors
- Proton Pump Inhibitors (PPIs)
- Angiotensin Receptor Blockers (ARBs - formerly named Angiotensin Receptor Antagonists)
- Angiotensin Converting Enzyme Inhibitors (ACE Inhibitors)
- Inhaled Corticosteroids
- Nasal Steroids
- Beta Adrenergics
- COPD - Anticholinergics (formerly included with Beta Adrenergics)
- Beta Blockers
- Calcium Channel Blockers
- Histamine - 2 Receptor Antagonists
- Second Generation Antihistamines (LSAs)
- Benzodiazepine Sedative Hypnotics (formerly included with Sedative Hypnotics)
- Other Sedative Hypnotics (formerly included with Sedative Hypnotics)

The P&T Committee has deemed six new drug classes "PDL eligible," and those classes will be included with Phase I in the future. The six new drug classes subject to the PDL, beginning January 1, 2006, include:

- Electrolyte Depleters
- Urinary Tract Antispasmodics
- Topical Immunomodulators
- Lipotropics Non-Statins: Fibric Acid
- Lipotropics Non-Statins: Niacin Derivatives
- Phosphodiesterase 5 Inhibitor for Pulmonary Arterial Hypertension (PAH)



The P & T Committee also evaluated new drugs within the drug classes contained in the other PDL Phases. Based on this review of Phase I drug classes, new drug classes, and new drugs in Phases II and III, the additions and changes to the PDL, effective January 1, 2006, are as follows:

ADDITIONS AND CHANGES TO PREFERRED STATUS

Benazepril HCL and Benazepril HCL-HCTZ (ACE Inhibitors)

Asmanex (Inhaled Corticosteroids)

Nasonex and Nasacort AQ (Nasal Steroids) **Famotidine** (Histamine-2 Receptor Antagonists) **Zetia** (Lipotropics: CAI)

Spiriva, Atrovent AER W/ADAP, and Atrovent HFA (COPD Anticholinergics)

Gemfibrozil and Antara (Lipotropics Non-Statins: Fibric Acid)

Niaspan and Niacor (Lipotropics Non-Statins: Niacin Derivatives)

Detrol LA, Ditropan XL, Oxybutynin Chloride, Oxytrol, Sanctura, Vesicare, and Enablex

(Urinary Tract Antispasmodics)

Renagel, Phoslo, and Fosrenol (Electrolyte Depleters) **Elidel and Protopic** (Topical Immunomodulators) **Revatio** (Phosphodiesterase 5 Inhibitor for PAH)

ADDITIONS AND CHANGES TO NON-PREFERRED STATUS

Benicar, Benicar HCT, Micardis and Micardis HCT (ARBs)

Nasarel (Nasal Steroids)



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Ambien CR and Rozerem (Other Sedative Hypnotics)

Factive (Quinolones)

Zmax and Clarithromycin (Generic Biaxin) (Macrolides)

Actonel® with Calcium CO-PACK (Bisphosphonates)

Tricor, Lofibra, Lipid, Fenofibrate, and Triglide (Lipotropics Non-Statins: Fibric Acid) **Niacin SR, Slow-Niacin, and Niacin IR** (Lipotropics Non-Statins: Niacin Derivatives) **Detrol and Ditropan** (Urinary Tract Antispasmodics)

The updated PDL Quicklist is attached with this memo reflecting all changes. Please note that the revised PDL Quicklist only includes “preferred” drugs (no PA required). If the drug requested is not on the list, a PA is required.

You may also access the complete list of pharmaceutical products included on the Virginia PDL by visiting <http://www.dmas.virginia.gov/pharm-home.htm> or <https://virginia.fhsc.com>.

Additional information and Provider Manual updates will be posted as necessary. Comments regarding this program may be emailed to the P&T Committee at pdlinput@dmas.virginia.gov.

PRIOR AUTHORIZATION (PA) PROCESS

A message indicating that a drug requires a PA will be displayed at point-of-sale (POS) when a non-preferred drug is dispensed. Pharmacists should contact the patient’s prescribing provider to request that they initiate the PA process. Prescribers can initiate PA requests by letter, faxing the attached form to 1-800-932-6651, or contacting the First Health Services Clinical Call Center at 1-800-932-6648 (available 24 hours a day, seven days a week). Faxed and mailed PA requests will receive a response within 24 hours of receipt. PA requests can be mailed to:



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First Health Services Corporation
ATTN: MAP Department/ VA
Medicaid 4300 Cox Road

Glen Allen, Virginia 23060

A copy of the PA form is available online at <http://www.dmas.virginia.gov/pharm-home.htm> or <https://virginia.fhsc.com>. The PDL criteria for PA purposes are also available on both websites.

PREFERRED DRUG LIST (PDL) - 72-HOUR-SUPPLY PROCESSING POLICY

The PDL program provides a process where the pharmacist may dispense a 72-hour supply of a non-preferred, prescribed medication if the physician is not available to consult with the pharmacist (after hours, weekends, or holidays), AND the pharmacist, in his/her professional judgment consistent with current standards of practice, feels that the patient's health would be compromised without the benefit of the drug. A phone call by the pharmacy provider to First Health Services Corporation (FHSC) at 1-800-932-6648 (available 24 hours a day, seven days a week) is required for processing a 72-hour supply.

The patient will be charged a co-payment applicable for this 72-hour supply (partial fill). However, a co-payment will not be charged for the completion fill. The prescription must be processed as a "partial" and then "completion" fill. For unit-of-use drugs (i.e., inhalers, drops, etc.), the entire unit should be dispensed and appropriate action taken to prevent similar situations in the future.

PREFERRED DRUG LIST (PDL) - 72-HOUR-SUPPLY DISPENSING FEE PROCESS

Pharmacy providers are entitled to an additional \$3.75 dispensing fee (brand name drugs) or

\$4.00 (generic drugs) when filling the completion of a 72-hour-supply prescription



for a non- preferred drug. To receive the additional dispensing fee, the pharmacist must submit the 72-hour supply as a partial fill and, when submitting the claim for the completion fill, enter "03" in the "Level of Service" (data element 418-DI) field. The additional dispensing fee is only available (one time per prescription) to the pharmacist after dispensing the completion fill of a non- preferred drug when a partial (72-hour supply) prescription was previously filled.

Any questions regarding the PDL dispensing process can be referred to FHSC at 1-800-932- 6648 (available 24 hours a day, seven days a week).

PERSONAL DIGITAL ASSISTANT (PDA) DOWNLOAD FOR PDL QUICKLIST

There are two ways to download the PDL list for PDA users. On the DMAS website (www.dmas.virginia.gov), there is a link that enables providers to download the PDL Quicklist to their PDAs. To access this link, please click on "Pharmacy Services," then "Preferred Drug List," then "PDL Quicklist PDA Format." This page will have complete directions for the download and HotSync operations. If you are an ePocrates® user, you may also access Virginia Medicaid's PDL through the ePocrates® formulary link at www.epocrates.com. ePocrates® is a leading drug information software for handheld computers (PDAs) and desktop computers. A large number of healthcare providers use this software in their daily practice. For more information and product registration, please visit the ePocrates® website.

To download the Virginia Medicaid PDL via the ePocrates® website to your PDA, please follow these steps:

1. Ensure that you have the most recent version of ePocrates Rx® installed on your PDA.
2. Connect to the Internet and go to www.epocrates.com.
3. Click the "Add Formularies" link at the top of the page.
4. Log in to the website using your user name and password.
5. Select "Virginia" from the "Select State" menu.
6. Select "Virginia Medicaid-PDL" under "Available Formularies."



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7. Click on "Add to My List" and then click on "Done."
8. Auto Update your PDA to install the "Virginia Medicaid-PDL" to your PDA.

MEDICARE PART D DRUG COVERAGE IMPLEMENTATION - EFFECTIVE JANUARY 1, 2006

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) created a prescription drug benefit under the Medicare program, Medicare Part D, which will begin on January 1, 2006. It is a voluntary program available to all beneficiaries; however, the MMA mandates that Medicaid enrollees who are also Medicare eligible (dual eligibles) no longer have Medicaid prescription drug benefits, effective January 1, 2006. This affects over 100,000 Medicaid fee-for-service recipients in the Commonwealth of Virginia.

MEDICAID COVERAGE

Recipients with any form of Medicare coverage (either Medicare Part A or Part B) are eligible for Medicare Part D and will be excluded from most Medicaid pharmacy benefits. Virginia Medicaid will maintain records that dual eligible recipients are Medicare eligible and/or have eligibility for third party pharmacy benefits (other supplemental coverage); however, specific plan information will not be available. Medicaid pharmacy benefits for dual eligibles may be denied for any third party coverage. When submitting claims at POS, pharmacy providers will see the Medicaid coverage denial (rejected) reason: "Verify Part D coverage."

There are specific drug classes that are excluded by law under the new Medicare Part D program. Medicaid will continue to cover these medications within the currently established guidelines of its pharmacy benefit program. Coverage of these drugs will be in accordance with existing Medicaid policy as described in Chapter 50 of the Virginia Administrative Code (12 VAC 30-50; "Amount, Duration, and Scope of Medical/Remedial Services"). Those drug classes that Medicaid will continue to



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cover for dual eligibles are as follows:

- Medications for weight loss (PA required);
- Legend and non-legend medications for symptomatic relief of cough and colds;
- Prescription vitamins and mineral products (except prenatal vitamins and fluoride preparations);
- Over-the-counter medications (prescriptions are required);
- Barbiturates; and
- Benzodiazepines

Medicaid will also continue to provide benefits for prescription drugs administered under Medicare Part B based on current coverage guidelines. Prescription drug claims processed for dual eligibles will remain subject to Virginia Medicaid's PDL. Medicare Prescription Drug Plans (PDPs) will cover compound drugs that include covered Part D drugs. Medicaid will pay for compounded medications for Part D recipients when the active ingredients include only the above referenced medications and the compound is prior authorized.

MEDICARE PART D RESOURCES

You should have received a great deal of information from the Centers for Medicare and Medicaid Services (CMS) and other sources about these significant changes. Please read this material carefully as your understanding and ability to communicate these changes to beneficiaries will greatly assist this vulnerable population through this transition.

ENROLLEE INFORMATION

Medicare beneficiaries are asked to choose one of the approved, private Prescription Drug Plans (PDPs) that will provide pharmacy benefits beginning next year. Full dual eligible beneficiaries will automatically be enrolled with a PDP effective January 1, 2006, unless the beneficiary takes action to enroll in a PDP. Beneficiaries may select any plan with premiums below the state benchmark for low-income subsidy during the dual eligibles' open enrollment period (November



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15, 2005 through December 31, 2005) and may change plans at any time following the auto- assignment process to be effective on the first of the month following the change request. **Virginia Medicaid will not have access to information on the beneficiaries' selected PDP after the initial assignment through the automatic enrollment process.** The coverage provided by these PDPs may differ because of variations in formularies and pharmacy networks. A state-specific, formulary search is available on the CMS website at this link:

<http://plancompare.medicare.gov/formularyfinder/selectstate.asp>

The Virginia Area Agencies On Aging (AAAs) are providing assistance in various communities. Through their Virginia Insurance Counseling Assistance Project (VICAP), they educate and assist Medicare beneficiaries and their caregivers about various health insurance programs, including Medicare Part D. A listing of the AAAs may be found in Attachment B, by visiting <http://www.aging.state.va.us/vicap.htm>, or calling 1-800-552-3402.

MEDICARE FACILITATED ENROLLMENT PROCESS

It is possible that some beneficiaries may present at the pharmacy and discover that they have not been auto-enrolled in a Part D plan. CMS has developed the facilitated enrollment process as a point-of-sale (POS) solution to ensure full dual eligible individuals experience no coverage gap when Part D is implemented. If a beneficiary presents at a pharmacy with evidence of both Medicaid and Medicare eligibility but without current enrollment in a Part D plan, the beneficiary will be able to leave the pharmacy with his/her prescriptions.

CMS has contracted with two vendors that will coordinate and expedite the facilitated enrollment process. The first vendor is Wellpoint, a national PDP that can provide POS access and offer plans below the low-income premium subsidy amount in every region. The second vendor is Z-Tech, a CMS enrollment contractor that can expedite validation of dual eligibility and return independently verified information on the individual's eligibility for enrollment to the national



PDP. Pharmacies will essentially bill a special Wellpoint account for claims payment.

CMS and its contractors should provide detailed instructions on this process to all pharmacy providers. More detailed information and CMS updates on the facilitated enrollment process are also posted to the DMAS website (www.dmas.virginia.gov) under the “Medicare Part D” link from the home page.

PHARMACY INFORMATION

Pharmacy providers are asked to contact the beneficiary’s PDP with questions regarding the plan’s pharmacy benefits. There are 16 stand-alone prescription drug plan organizations and 7 Medicare Advantage Prescription Drug Plan organizations contracted to provide services in the Commonwealth of Virginia.

For a listing and contact information for these plans, please visit the DMAS website at www.dmas.virginia.gov (under “Provider Services,” then “Medicare Part D”) or the CMS website through the following link:

<http://www.medicare.gov/MPDPF/Public/Include/DataSection/Results/ListPlanByState.asp>

Other information useful to pharmacy providers may be found at the following web link:

<http://www.cms.hhs.gov/medicarereform/pharmacy/default.asp>

Pharmacies may contact the pharmacist(s) in the CMS regional office at 1-215-861-4186 with questions related to the administration of the Medicare Part D program. Pharmacy providers can also contact the First Health Services Clinical Call Center at 1-800-932-6648 (available 24 hours a day, seven days a week) with questions specifically regarding Virginia Medicaid’s pharmacy benefit policies for



dual eligible recipients.

ELIGIBILITY AND CLAIMS STATUS INFORMATION

DMAS offers a web-based Internet option (ARS) to access information regarding Medicaid or FAMIS eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification. The website address to use to enroll for access to this system is <http://virginia.fhsc.com>. The MediCall voice response system will provide the same information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider.

COPIES OF MANUALS

DMAS publishes electronic and printable copies of its Provider Manuals and Medicaid Memoranda on the DMAS website at www.dmas.virginia.gov. Refer to the Provider Column to find Medicaid and SLH (State and Local Hospitalization Program) Provider Manuals or click on "Medicaid Memos to Providers" to view Medicaid Memoranda. The Internet is the most efficient means to receive and review current provider information. If you do not have access to the Internet or would like a paper copy of a manual, you can order it by contacting Commonwealth-Martin at 1-804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates requested.

"HELPLINE"

The "HELPLINE" is available to answer questions Monday through Friday from 8:30 a.m. to 4:30 p.m., except on state holidays. The "HELPLINE" numbers are:

1-804-786-6273	Richmond area and out-of-state long distance
1-800-552-8627	All other areas (in-state, toll-free long distance)



Department of Medical Assistance Services
600 East Broad Street
Suite 1300
Richmond, VA 23219

<https://dmas.virginia.gov>

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Please remember that the "HELPLINE" is for provider use only. Please have your Medicaid Provider Identification Number available when you call.